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NICARAGUA: New Law on Political Parties

The passage of a new law on political parties is an important step in the Sandinistas' efforts to institutionalize the revolution. []

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The quasi-legislative Council of State has sent the law to the government junta for final approval. The law regulates the creation and functioning of the parties and provides that a Sandinista-dominated body may suspend or dissolve them for violations of the law. []

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Opposition delegates repeatedly have challenged the Sandinista draft during Council debate and have secured some changes. The Sandinistas agreed to recognize the opposition's right to have access to power but retained provisions on party duties that tend to undercut it. Opposition spokesmen continue to complain that the law gives the Sandinistas absolute control. []

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The Sandinistas say they will now begin drafting an electoral law, which is to be completed by mid-1984. According to the Council president, a delegation will soon visit the US and Canada to study the electoral systems there. []

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Comment: The Sandinistas probably will use the parties law to claim that they have made progress toward their commitment to hold elections in 1985. They have been under increasing pressure from Socialist International and other Western leaders to advance the election date. []

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The debate on the parties law underscores the dilemma of the weak and fragmented opposition political parties in participating in Council of State sessions. Although they have occasionally refused to participate as a pressure tactic, they returned this time in the hope of securing some marginal influence. They have few illusions, however, that the Sandinistas will carry out the law in a way that would allow free elections. []

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PAKISTAN: Diminished Level of Violence

Violent incidents continued at a lower level in Sind Province over the weekend, and Pakistan protested comments by Indian leaders on the situation. []

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According to the US Consulate in Karachi, the worst violence occurred in Shahdadpur, where Urdu-speaking shopkeepers and supporters of a progovernment religious leader clashed with rioters attempting to close down the bazaar. A general strike in Quetta was only partly successful, and police arrests apparently disrupted a gathering at the tomb of former Prime Minister Bhutto outside Larkana. The Consulate has reports of several antiforeign incidents in the Sukkur area. []

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On Saturday Islamabad formally protested to New Delhi statements by Indian Prime Minister Gandhi and Foreign Minister Rao that India supported the struggle for democracy everywhere and was concerned about the situation in Sind. The US Embassy in New Delhi reports that the Indian Foreign Minister believes the situation in Pakistan reduces any chance of early progress in the Indian-Pakistani dialogue on a Nonaggression Pact and Treaty of Peace. []

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The press in Karachi reported the first contact between the government and arrested opposition leaders. According to the stories, the opposition leaders have demanded the release of all political detainees, the lifting of martial law, free elections, and a guarantee of fundamental rights. []

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Comment: No new deaths were reported over the weekend, suggesting that the level of violence has diminished somewhat. Tensions remain high, however, and there is no sign the movement in Sind has run its course. Opposition leaders will become concerned that the government is using the Indian threat to keep Punjab quiet.

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Intermittent talks between India and Pakistan on a Nonaggression Pact and Treaty of Peace have made little headway since December. India could delay the next round of political talks until the domestic situation in Pakistan becomes clearer. Neither country, however, is likely to disrupt progress on nonpolitical issues being negotiated through their Joint Commission. []

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EC: Special Council Meeting

EC ministers will hold an extraordinary Council meeting in Brussels tomorrow to begin unraveling the Community's tangled financial problems. []

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Agriculture, Finance, and Foreign Ministers from the 10 EC countries are meeting jointly for the first time to address the complex financial crisis that threatens to bankrupt the Community by year's end. As an initial step to guarantee solvency, the Ministers will discuss proposals from the EC Commission to stem burgeoning subsidies to EC farmers. EC farm spending will consume nearly \$13 billion this year, two-thirds of the Community's budget. []

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The meeting is the first in a series of special Council sessions ordered by the EC heads of government at their summit in Stuttgart in June. At that time, the 10 leaders pledged to find a solution to the budget imbroglio before their summit in Athens in December. []

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Comment: No specific directive is likely to emerge from the meeting, but EC members seem certain to move closer to adopting some agricultural measures that could reduce farm exports to the Ten. In addition to programs to check internal surplus production, Commission plans promote so-called import stabilization schemes aimed at restricting farm imports from third countries. Proposals to limit imports of feedgrain substitutes and to tax EC consumers' purchases of vegetable oil could affect \$4.7 billion in US exports to the Community in 1983. []

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All EC governments agree that agricultural programs have to be brought under control, but West Germany, the Netherlands, the UK, and Denmark oppose a tax on vegetable oil. They believe such a tax is protectionist and would aggravate trade tensions with the US. Even these EC members agree, however, that imports of feedgrain substitutes need to be limited to encourage depletion of EC grain stockpiles. []

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JAPAN-IRAN-IRAQ: Results of Foreign Minister's Visits

Japanese Foreign Minister Abe has told the US Embassy that he regards his recent trip to Iran and Iraq as a successful step toward more active Japanese diplomacy in the region. []

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The visits were part of a longer trip including Turkey, Romania, Bulgaria, and a brief stopover in Moscow. Abe's discussions with leaders in Tehran, Baghdad, and Ankara focused on the war, the danger of its escalation, and the prospects for an end to hostilities. []

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Abe concluded that Ayatollah Khomeini's inflexibility precludes a settlement for now. Moreover, Abe believes there is a real danger the war will intensify, partly as a result of Iran's optimistic assessment of Iraqi President Saddam Husayn's vulnerability. The Foreign Minister wants to maintain a dialogue with both sides by meeting this fall with the Iranian and Iraqi Foreign Ministers at the UN. []

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Abe noted that each belligerent believes the US is siding with and aiding its opponent. In contrast, Japan was praised for its "noninterventionist" policy. []

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While in Moscow, Abe obtained an agreement for a future meeting with Foreign Minister Gromyko at the UN. At that time, Abe wants to explore the possibility of a summit between Prime Minister Nakasone and General Secretary Andropov, but only if the USSR will relax its refusal to discuss Japan's claim to four islands in the Kurile chain and other conditions. []

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Comment: Previous Japanese diplomacy in the region was devoted almost exclusively to economic issues. Abe's focus on a possible Japanese role in facilitating a settlement between Iran and Iraq is a major departure. Nonetheless, Abe's efforts in this direction—as well as his hope for a summit between Nakasone and Andropov—are unlikely to achieve substantial results any time soon. []

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CHAD: Diplomatic Moves

President Bongo of Gabon has agreed to call for a meeting of the OAU Ad Hoc Committee on Chad, according to the US Embassy. Meanwhile, Ethiopian and OAU Chairman Mengistu, yielding to Nigerian and Sudanese pressure, has decided to send the OAU Secretary General and the Ethiopian Foreign Minister to Paris, Algiers, and Tripoli starting on Wednesday to discuss Chadian issues. French Defense Minister Hernu's recent private talks with Chadian President Habre probably were aimed at dissuading Habre from attempting a new offensive in the north any time soon. There has been no further elaboration of President Mitterrand's reference last week to a Chadian federation. []

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Comment: A diplomatic impasse will work against Habre if the French begin to view his refusal to negotiate as a major cause of the stalemate. The influence of Mengistu and radical OAU members could increase with time and acceptance of the idea of Libyan and dissident control of northern Chad. Mengistu previously indicated privately an unwillingness to allow the OAU Ad Hoc Committee to convene because it is composed mostly of moderate African states and has a charter to discuss Libya-Chad relations. His OAU-sponsored mission to Paris and Tripoli probably is an attempt to deflect criticism of OAU inactivity. []

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MAURITIUS-USSR-LIBYA: Cooling Relations

Prime Minister Jugnauth is convinced that the Soviets and Libyans supported the opposition Mauritian Militant Movement in the election last week, and, according to the US Embassy, he may take measures against the missions of both countries. Jugnauth reportedly thinks the Libyans channeled more than \$100,000 to the Movement and the Soviets provided arms and financing. These possibilities are extremely unlikely, according to the Embassy. Meanwhile, press reports indicate Jugnauth has reappointed pro-Western Foreign Minister Gayan and has named rightist Gaetan Duval as Deputy Prime Minister. []

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Comment: The makeup of Jugnauth's new government and his pique with Moscow and Tripoli bode well for Mauritian relations with the West. Jugnauth has solicited Soviet and Libyan support in the past, however, and is unlikely to sever relations with either country. He may settle for some reduction in the Soviet presence and the replacement of the two top Libyan officials in Mauritius. []

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Special Analysis

ISRAEL: Begin's Possible Resignation

If Prime Minister Begin resigns and retires from active political life, the dominant role of the Likud bloc in Israeli politics will not be threatened immediately. Begin's successor almost certainly would focus his attention on the difficult task of maintaining workable relationships within the bloc—particularly among Herut factions—and probably would not alter Begin's foreign policies significantly. A successor would have to devote special attention to mediating between younger, ambitious Herut leaders competing for long-term leadership of the party, and he would need to dampen patronage and policy disputes between Herut's old guard and the other Likud components.

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Begin's announced intention to resign appears to be the result of his continued depressed mood, Israel's deepening problems in Lebanon, and the coalition's inner turmoil. The cabinet has been beset in recent weeks by disagreements over the faltering economy.

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The Prime Minister's decision to delay his resignation until after he consults with coalition leaders today has led to speculation that his move is a ploy to pull the fractious Likud-dominated coalition together. By threatening to resign, Begin could be signaling that, unless his coalition partners stop their public and private bickering, the government will be forced to call for new elections. Several of the coalition partners do not feel strong enough to go to the polls now.

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If Begin Resigns

Most observers in Israel believe Begin's decision is final. He would remain as caretaker Prime Minister until the formation of a new government and its approval by the Knesset. An interim government cannot be brought down by a vote of no confidence, and ministers are forbidden by law to resign from it.

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President Herzog probably would first ask Begin's successor as the new head of Likud to try to form a government. If Likud failed at this, Herzog would be likely to ask Labor Alignment Chairman Peres to attempt to form a coalition. Peres would find it difficult to achieve a workable parliamentary majority that did not depend for its survival on the RAKAH Communist Party.

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If a new prime minister emerged from this process, he could then serve the remainder of the current Knesset term, which runs until November 1985. Parliamentary elections are not required unless efforts to form a new government fail. Begin also could remain as caretaker until the end of Knesset term. []

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The Contenders

The leading candidate to succeed Begin is Foreign Minister Yitzhak Shamir, 68. Most observers agree that Shamir probably would emerge as a compromise choice and serve only on an interim basis until the long-term leadership of Herut was decided. Shamir is generally well liked in the party, but he lacks Begin's charisma and was slightly tainted by the investigation into last year's Beirut massacres. []

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Other contenders include Deputy Prime Minister Levy, the most prominent Sephardi in the cabinet, who is very popular with Israelis from North Africa and Arab countries. Finance Minister Aridor's political fortunes appear to have waned as the Israeli economy has worsened over the past two years. Former Defense Minister Sharon remains a contender despite his serious setback over Lebanon policy and the massacres. []

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Defense Minister Arens is not eligible to succeed Begin as Prime Minister because he is not a member of the Knesset. There would have to be new general elections before Arens could vie for the post. Former Defense Minister Weizman is said in the press to be interested in returning to Likud, but he also is not a member of the Knesset and cannot succeed Begin at present. []

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Impact on Foreign Policy

If Begin resigned, coalition fragility and uncertain popular support would be a constraint on any Likud-led successor government in any new foreign policy initiatives or drastic departures from current policies. The new government probably would seek to maintain crucial Sephardi support by following Begin's policies on settlements, the peace process, and relations with Arab neighbors. []

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Little change is likely in Israeli policy toward Lebanon. According to press accounts, senior Israeli officials already have said that the redeployment of forces, scheduled for next week, will go ahead despite Begin's announcement. []

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Arens, already a key decisionmaker in Lebanon policy, probably would be the major foreign policy influence in a government headed by Shamir or Levy. A government dominated by Herut's right wing, which regards Arens as too moderate and holds him partially responsible for Sharon's ouster, would try to force Arens out. [REDACTED]

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Arens favors a more dovish approach to Lebanon and places great value on maintaining good relations with the US. His lack of a political base and rightwing distrust of him would be likely to prevent him from changing current policies. [REDACTED]

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If Labor returned to power, it would favor more moderate foreign policies. Senior party leaders have urged a phased unilateral withdrawal from Lebanon, and some have publicly supported President Reagan's peace plan. The party would face limits on its abilities to carry out such policies and probably would have to rely heavily on support from the hawkish religious parties to form a coalition. [REDACTED]

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